



November 29, 2022

Larimer County Community Planning, Infrastructure & Resources
Attn: Laurie Kadrich and Duane Penny
5887 S Taft Hill Road
Fort Collins CO 80526

Subject: Non-Binding Memorandum of Understanding for Public-Private-Partnership

Dear Laurie and Duane,

Thank you for the opportunity to further discuss the public-private-partnership opportunities for Larimer County's (the "County") North Landfill and Central Transfer Station (RFP P22-22) and Materials Recovery Facility (RFP P22-17). We are thrilled the County awarded Republic Services ("RSG") with the work, pending negotiation of mutually acceptable definitive agreements. We look forward to negotiating agreements that prioritize (i) market-based and predictable pricing for County constituents, (ii) fair economic compensation for the County, (iii) sustainable operations that advance the County's diversion goals, (iv) safe and durable facilities, and (v) tireless attention to employees, customers, and community. The tables below provide a preliminary view of deal terms that set the underlying framework of our partnership. Please consider these preliminary deal terms, along with the attached draft Memorandum of Understanding, as RSG's expressed interest into negotiating final definitive agreements.

Landfill	Talking Points
Term	Life of site lease
Royalty to Larimer County	RSG acknowledges the County's desire for a 15% (average) royalty payment. RSG commits to work in good faith with the County to create terms in a contract that could meet this desire.
Initial Rates for the Facilities	Negotiated with County to establish competitive market rates for operating the facilities
<u>Rate Increases</u> In County Waste	Negotiated with the County for annual increases
Outside of County	RSG sets pricing
<u>Construction</u> Inside landfill property	RSG responsible
Outside landfill property	County responsible
Equipment	RSG procures and maintains – purchase County equipment
Environmental Compliance / Permits	RSG responsible

Closure / Post Closure (North Landfill)	RSG responsible
Employees	RSG responsible; all qualified County employees offered jobs
Reporting – Annual Sustainability	RSG to provide
Household Hazardous Waste Collection for Residents and Businesses	RSG to provide a viable program

Transfer Station and MRF	Talking Points
Term	20-year initial term with two, 10-year bilateral extensions
<u>Initial Rates</u>	
Transfer Station	Negotiated with County
Materials Recovery Facility	
Rate Increases	Negotiated with the County - Subject to further knowledge of Cost and Volume
Commodity Share	Subject to negotiation
<u>Construction</u>	
Transfer Station	RSG responsible
Recycling Center	RSG responsible – County and RSG each fund 50%
Site Access and Improvements	County responsible
Equipment	RSG to acquire and maintain; converts to County ownership upon expiration of Contracts
Employees	RSG responsible

We appreciate the dialogue that has led us to this point and look forward to working through the details to finalize our new public-private-partnership. Thank you in advance for your consideration.

Sincerely,

Ryan P Lawler

Ryan Lawler
Northwest Area President
Republic Services

James Hutchinson

Jim Hutchinson
Director NW Municipal Services
Republic Services

Memorandum Of Understanding

This MEMORANDUM OF UNDERSTANDING ("MOU") is made and entered into November 30, 2022, (the "Effective Date") by and between Allied Waste Systems, Inc. dba Republic Services of Colorado ("Republic"), and Larimer County, (hereinafter "County"). Republic and County each a "Party" and collectively the "Parties."

1. In July 2022, County released P22-22 and P22-17. In August 2022, Republic submitted written proposals for both P22-22 and P22-17.
2. On November 11, 2022, County issued two Notice of Awards notifying Republic that its proposal for P22-17 (North Landfill and Central Transfer Station) and P22-22 (Materials Recovery Facility) had been accepted "pending negotiations."
3. The Parties desire to enter into this MOU in order to negotiate a mutually agreeable scope of services. The Parties acknowledge and agree that if mutually agreeable negotiations are completed, a contract will be generated and executed.
4. The Parties recognize that each organization has identified tangible sustainability and diversion goals and both Parties agree that a 50% landfill diversion goal by 2030 is a desired outcome.
5. The Parties acknowledge and agree that this MOU is an understanding of the current intent of the Parties, but under no circumstances is this MOU or any written or verbal communications between the Parties while negotiating a mutually agreeable scope of services to be construed, alone or in combination with other evidence, as creating any legal and/or binding obligations by any Party until such time as a definitive written contract, based on the intentions contained in this MOU and through the parties' communications, has been executed and delivered by the Parties.

In witness whereof, each of the Parties has caused the duly authorized representative named below to execute this MOU as of the Effective Date.

Allied Waste Systems, Inc.

By: Ryan P Lawler

Name: Ryan P. Lawler

Title: Vice President

Larimer County

By: Duane L Penney

Name: Duane L Penney

Title: Director of Solid Waste
1/26/23